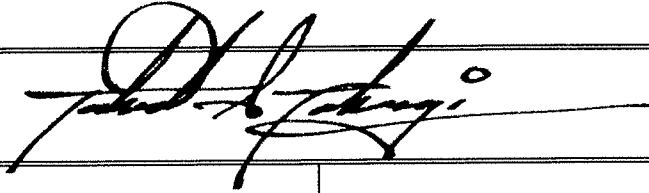


**IDAHO STATE
DEPARTMENT OF AGRICULTURE**

APPROVED BY:



ORIGINAL EFFECTIVE DATE:

June 18, 2006

REVISION DATE:

TITLE: Idaho State Department of Agriculture Compensation Plan

Agency Policy

The compensation plan for the Idaho State Department of Agriculture (ISDA) is designed to attract, retain, and recognize our employees for their valuable services and commitment to public service excellence. It is the intent of this policy to reward employees for outstanding performance and motivate them to maintain high standards of productivity.

The intent is to recognize and reward employees on a pay-for-performance basis that provides faster salary advancement for higher performers. We strive to ensure pay equity within the department for jobs that are substantially similar and for employees who have similar work experience, education, and performance.

All salary increases and one time additional compensation such as bonuses, retention and recruitment awards, must be routed to the ISDA Human Resource Officer and approved by the Director, the Division of Human Resources (DHR) and the Division of Financial Management (DFM) before employees are notified.

Mission

The unique mission and needs of our agency drive our Compensation Plan. At ISDA we have an extremely broad span of responsibility with many dissimilar programs and a wide range of jobs and technical requirements. We do not have large numbers of employees in any one job. This gives ISDA a challenge in recruitment and promoting from within. We also have a very broad range of funding sources but many of those sources are limited to the programs they can be used for. We have recruitment and retention challenges in a wide range of jobs from veterinarians and engineers to trade specialists and IT staff.

This compensation plan will be the basis for our corresponding budget that supports the core mission of the agency and specifies how the plan would serve to support our compensation philosophy.

Starting/Entry Salary Decisions

ISDA hires at a rate that reflects the quantity and quality of candidates' experience and education levels. Starting salaries are based on the worth of that particular job to our agency, and not altered to meet a job applicant's personal, non-job related situation or expenses. Advanced salary placement may be at the appointing authority's discretion considering available budget, market, applicant's work experience and qualifications, and relation to existing staff salaries within the pay grade assigned to the employee's classification. Except for seasonal non-classified jobs all salary offers must be approved in advance by the director or his designee.

Salary Increases

For fiscal year FY07, those employees whose salaries are farthest from labor market rates, have the highest level of performance and the highest value to our many core areas where there is significant turnover or market pressure will be considered first for temporary and permanent increases.

FY 07 funds specifically targeted by the legislature for incumbents in the Agriculture Trade Specialist class will be distributed to them based on the guidelines provided to ISDA by the legislature, the Governor, DFM and DHR.

All requests for salary increases must go to the Human Resource Officer, and then be approved by the Director or his designee.

Major Distributions, Ongoing and Temporary

Each major distribution will be based on performance and market factors. A matrix will be used to ensure faster salary advancement for higher performers (as indicated within the four-level rating process) and consideration for individual pay levels compared to the policy mid point of their pay range.

Salary Increases-Conditional

Temporary increases may also be awarded in recognition of additional assignments, acting appointments, for retention or other special circumstances as approved by the Director.

A memorandum of understanding (MOU) agreement between agencies and employees will be required for all temporary increases and will include the understanding that if an employee should resign during a time when the temporary increase is in place, the temporary increase will end before the final pay period, and vacation, compensatory

time (when allowable by Idaho Code) and EAL balances will be paid off at the normal rate of pay.

Geographic Pay Differential

The Director may designate non performance related premium pay for work locations where recruitment and retention is difficult due to economic conditions and cost of living. At this time ISDA does not have any designated areas for geographic pay differential.

If recruitment and retention issues reveal a need for geographic pay differential ISDA will determine the amount of geographic pay for locations outside Boise using DHR salary survey data and economic indicators to determine eligible areas and classifications.

DHR rule requires that all employees in the same classification and same work location shall be provided an equitable geographic pay differential. In classifications used by multiple agencies in the same work location, similarly situated employees must be treated consistently requiring negotiation between agencies and DHR for a mutually acceptable rate.

Geographic pay premiums are calculated on a percentage of base salary. Such percentage is translated to a cash amount per pay period, and added to base pay.

Geographic pay is tied to work location. The geographic pay differential is discontinued when an employee takes an assignment at a work location not deemed eligible for a geographic differential. A geographic pay differential must begin and end at the start of the pay period and may not be divided by hourly or daily increments.

Shift Pay Differential

A shift differential of 5% will be applied if more than 50% of an employee's assigned work hours occur between 6 p.m. and 7 a.m. Leave hours taken shall be regarded as having been assigned during the same hours that the employee would have worked. Leave hours for an employee with an irregular work schedule will be considered to have been taken between 7 a.m. and 6 p.m. unless prior written notification is given.

If an employee qualifies for shift differential pay during a work week, the shift rate shall be calculated for all hours reported in that week, including holiday pay, overtime, and leave taken. The resulting amount of shift differential pay shall be included in the compensation for that pay period.

Shift differential pay will not apply to flex schedules and/or compressed workweeks, if the standard schedule is 8 a.m. to 5 p.m. and the schedule was a result of an employee request or preference. Employees who are ineligible for cash compensation or

compensatory time for overtime worked are ineligible for shift differential compensation.

Recruitment Awards

Recruitment award pay may be granted, by the Director, to recruit a new employee and will be awarded when the employee has completed at least 6 months of work that achieves performance standards, regardless of probationary status.

Hiring agreements or memorandums documenting conditions for payment of awards will be provided to the employee and placed in their personnel file.

Recruitment awards must be approved in advance by the Director and requests must specify the award amounts, purpose and conditions of the award and the classifications identified for the award.

Retention Pay

ISDA will determine the need for retention pay on a case-by-case basis. These awards are typically lump sum.

If an employee indicates another competitive job offer, or if the Agency deems market conditions exist, management will consider a retention award based on the market for the particular job and the salaries of all other employees in the same classification. If such retention awards are deemed appropriate in order to keep existing staff, the awards will be considered for all employees in the same classification, based on current contribution levels. Such program will be developed and awards distributed to all similarly situated staff.

Retention pay may be granted when an employee has completed at least 6 months of work that achieves performance standards, regardless of probationary status.

Performance Bonuses

ISDA will use performance bonuses throughout the year to recognize and reward exemplary performance. Amounts will vary and will relate to the base salary and the individual's performance on a project or overall basis. All performance bonuses will be based on the availability of funds. Performance bonuses up to a total of two thousand dollars (\$2000) may be awarded to individuals each fiscal year, in recognition of exemplary performance. A memo documenting such performance will be provided to the employee and placed in their personnel file. Exceptions above the two thousand dollars may be granted under extraordinary circumstances if approved in advance by the Board of Examiners.

Cost Saving Bonuses

Cost saving bonus bonuses may be awarded in recognition of an employee's idea to save state resources resulting in cost savings or greater efficiencies in excess of the amount of the award and in compliance with DHR rules on employee suggestion awards. Any employee may recommend another employee for a cost saving award, these recommendations must be submitted to the ISDA Human Resource Officer in writing, be approved by the employee's division administrator, include a sign off verifying the savings from the ISDA Finance Bureau and must be approved by the Director before the employee is notified. Any bonuses (up to \$2000) will be awarded after savings are recognized and verified, with distributions made out of the associated budget category. Exceptions above the two thousand dollars may be granted under extraordinary circumstances if approved in advance by the Board of Examiners. Suggestions aimed at saving money outside the agency will be submitted to DHR for coordination.

Reclassifications

When a position is reclassified to a class in a higher pay range, the employee's salary will be increased, if necessary, to the beginning of the new pay range. Any additional increase will be considered on a case-by-case basis and must be approved in advance by the Director, or designee.

If an employee's position is reclassified downward, the employee's salary will remain the same unless it is above the new pay range. In these instances, the employee's salary will be adjusted to the maximum hourly rate of the lower pay range.

Demotions

In the event of a Department reduction in force, an employee may elect to take a voluntary demotion rather than be laid off, in accordance with the Department layoff policy. Non disciplinary demotions will be handled in the same manner as downward reclassifications.

If a continuous status employee is demoted for disciplinary reasons, the employee's salary shall be adjusted within the lower pay range with approval from the Director or designee.

Transfers

Will be addressed in the same manner as starting salaries.

Reinstatements

Will be addressed in the same manner as starting salaries.

Promotions

Upon promotion, the employee's salary will be increased, if necessary, to the beginning of the new pay range. Any additional increase will be based on a case-by-case basis with

consideration of the promoted employee's current salary compared to other employees with similar education and experience or qualifications, market considerations, and budgetary constraints and must be approved in advance by the Director or designee.

On-call Time

On call time is not required by ISDA's core mission, and is not compensated. Employees who are contacted outside normal work hours to return to work will be provided comp time as appropriate.

Overtime Pay

All ISDA employees will be informed of their status in relationship to overtime expectations as part of new employee orientation or pre-employment discussions. Unless cash payment is specifically authorized by the Director or designee, all overtime will result in compensatory time awards.

Comp Time

All ISDA employees, except those designated as executive under the Fair Labor Standards Act (FLSA), shall earn compensatory time when overtime is worked. Compensatory time balances in excess of 40 hours need to be discussed with the Division Administrator to discuss alternatives and to determine the need for continued overtime. No employee may be authorized to earn compensatory time when their balance exceeds 240 hours without written authorization from the Director.

Holiday Pay

Paid time off for holidays is a benefit, and as such, must be awarded equitably in a substantially similar manner to all employees in the same classification. Employees on flex schedules, such as 4-10 hour days, will work 8 hour days during a week with a holiday to achieve this equity.

Nonperformance Related Pay

In unusual circumstances, with prior approval from the Director and the administrators of DFM and DHR, nonperformance related pay may be granted to employees, which in no case may exceed five percent (5%) of an employee's base pay.

Employees in Transitional Pay Grade A

ISDA has no employees below the minimum of the new pay grades.

Internal Salary Equity and Concerns

All employees are encouraged to discuss concerns with their supervisor and/or manager to reach mutually satisfactory resolution at the lowest level possible. If an employee believes there is a problem with their compensation due to inequities within our Department, they are strongly encouraged to bring this issue to the forefront. No retaliation will occur for expressing such concerns or using the problem solving process.